GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:6174
ANSWERED ON:05.05.2000
SUBSIDIES ON MERIT NON MERIT GOODS SERVICES
TRILOCHAN KANUNGO

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have identified merit and non-merit goods and services with a view to provide subsidy on these items;

(b) if so, the names of items in each category and the basis of selection; and

(c) the amount of the States and Central Government subsidies on the above mentioned items and services, item-wise; and

(d) the steps taken to dispense with State and Central subsidies on these items and services?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI BALASAHEB VIKHE PATIL)

(a), (b), (c) & (d): An Expenditure Reforms Commissionhas been set up by the Government of India to inter alia review the framework of all subsidies, both explicit and implicit, examine the economic rationale for their continuance and make recommendations for making subsidies transparent and suggest measures for maximising their impact on the target population at minimum cost. The Commission would also review the framework of user charges of Departmental and commercial entities and suggest an effective strategy for cost recovery through user charges etc.